

## **INTRODUCTION**

Emmet County Prosecuting Attorney (PA) had a contract with the Michigan Family Independence Agency (FIA) to establish paternity and to obtain support orders for all cases where the Emmet County PA had jurisdiction. The Emmet County PA billed FIA monthly under the actual cost reimbursement billing method. FIA reimbursed Emmet County PA for their costs based on the Federal IV-D Program regulations.

## **SCOPE**

We performed an audit of the costs submitted for reimbursement by the Emmet County PA for the period January 1 through December 31, 1997. Our audit was conducted in accordance with Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. We performed the audit tests that we determined were necessary to determine if costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract.

## **EXECUTIVE SUMMARY**

We found that the Emmet County PA over billed FIA for personnel cost. The State share of the net amount over billed by P.A was \$260.

Our report recommends the Family Independence Services Administration initiate the process to recoup \$260 from the Emmet County PA.

## **PA RESPONSE**

The Emmet County PA did not respond to our draft report.

## **FINDINGS**

### **Personnel - Retirement**

1. Emmet County PA over billed FIA \$260 for retirement cost. The PA charged for the retirement cost of two prosecuting attorneys, but the contract budget only allowed funding for one. The amount overbilled was \$3,536, of which the IV-D amount was 10%, or \$354. The State share of the IV-D amount was 73.63%, or \$260.

WE RECOMMEND the Family Independence Services Administration initiate the process to recoup \$260 from the Emmett County PA.

Finding	Line Item	Year	(Over)/Under Billed Gross Amount	IV-D %	(Over)/Under Billed IV-D Amount	State %	( C
	1 Personnel	1997	\$ (3,536.00)	10.00%	\$ (354)		
<b>Grand Total of the IV-D Audit Adjustments</b>					<b>\$ (354)</b>		
	<b>Calculation of the Payment Due the ( State ) County</b>						
<b>Audited IV-D Amount</b>					356,053.00		
<b>IV-D Amount Used for the Payments Actually Made</b>					356,406.60		
<b>IV-D Audit Adjustment Due ( State ) County</b>					<b>(354)</b>	73.63%	<b>\$</b>